# GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES

# Request for Proposal – Negotiation Professional Services

To:	Date: April 15, 2021
	RFP No. 027-T-2021 (P)

The Government of the Virgin Islands of the United States (hereinafter referred to as "Government") acting through its Department of Property and Procurement shall receive proposals for the Project described below. Proposals shall be received no later than **Monday**, **May 31, 2021 at 4:30 p.m.** Atlantic Standard Time.

# **DESCRIPTION OF PROJECT:**

The Government is inviting suitably qualified firms or entities to submit proposals to design, finance, and redevelop the upland and corresponding submerged land to subsequently operate a marina facility, at Estate Nazareth Parcel No. 100-1 Red Hook Quarter, US Virgin Islands. The primary objective is to enhance the United States Virgin Islands' boating and tourism product by maximizing the re-development of the subject property, which will in turn generate a variety of medium to high quality jobs for the local workforce and create opportunities for residents of the Territory to participate in the project development and operation, all of which collectively contribute to the Territory's long-term economic growth.

The intent of this Request for Proposal ("RFP") is to identify an appropriate development partner for the property, who will design, finance, and redevelop the upland and corresponding submerged land to subsequently operate a marina facility. The Government owns Estate Nazareth Parcel No. 100-1 Red Hook Quarter and will enter into along-term ground lease and submerged land lease with the successful respondent for the development and operation of the facility. This RFP process will also allow the Government to better understand and more clearly define any infrastructure support services and/or requirements, if any, that a potential developer and/or operator of the facility may require in order to ultimately commit funds to the project and deliver an economically viable project.

#### **NEGOTIATED PROCEDURES:**

The Commissioner of the Department of Property and Procurement shall appoint a Selection Committee to assist in the evaluation and selection of one (1) Lessee. Accordingly, current data on qualifications and performance capability and proposed conceptual plans for redevelopment Estate Nazareth Parcel No. 100-1 Red Hook Quarter must be submitted with all

proposals. After reviewing the qualifications and proposals the Committee shall select for discussion in order of preference, those firms, entities or persons **deemed to be most qualified to provide the services herein required and having the most attractive development concept.** Discussions and/or oral presentations shall be conducted with the firm/s or entity/ies, not less than two (2) deemed to be the most highly qualified.

#### **FACTORS FOR DISCUSSIONS**

Selection criteria shall include (i) Professional qualification, registration and general reputation of principals of the firm or person; (ii) the extent to which the firm, entity or person specializes in or has provided services of a type and scope similar to the services sought hereunder; (iii) familiarity with the location (s) and its offerings; (iv) capability of meeting schedules; (v) quality of performance on other similar projects; and (vi) financial ability to undertake the project.

Proposals will be evaluated according to the following criteria and weight factors in descending order: (a) Scope of Project - 25 pts (b) Qualifications & proven track record - 20 pts (c) Financial means to undertake proposed project -20 pts, (d) Timeliness of project scope - 20 pts, (e) Sustainable Blue Economy considerations -10 points, and (f) References - 5 pts. A bonus of 5 points will be awarded for creativity, innovation, and promotion of blue resources (such as maritime transport, coastal tourism, and renewable energy production).

The Selection Committee may, at its option, request any or all respondents to participate in oral presentations.

# **NEGOTIATION:**

The Selection Committee shall recommend to the Commissioner of the Department of Property and Procurement the highest qualified firms, entity or person(s) with whom a lease shall be negotiated. The Commissioner of the Department of Property and Procurement, with the assistance of the Selection Committee, shall attempt to negotiate a lease with such firms or persons.

Should the Commissioner be unable to negotiate a satisfactory lease with the firm(s) considered to be the most qualified, negotiations with those firm(s) shall be formally terminated. Negotiations shall continue with the other selected firm(s) until an agreement is reached.

Anthony D. Thomas
Commissioner
Property and Procurement

## INSTRUCTION TO RESPONDENTS

## A. NOTICE

RFP-027-T-2021 (P) Lease and Development of Parcel No. 100-1 Estate Nazareth Red Hook Quarter on St. Thomas, US Virgin Islands

Information provided in this RFP is to be used only for purposes of preparing a proposal. It is further expected that each respondent will read the RFP thoroughly, for failure to meet certain specified conditions may invalidate the proposal.

The Government of the Virgin Islands, herein after referred to as GVI, reserves the right to reject any or all proposals or any portion thereof and to accept the proposal deemed most advantageous to Government. An award will be made to the most **responsive and responsible** respondent whose proposal, conforms to this RFP and is deemed the most advantageous to the Government, based on the criteria established for evaluation. **The order of importance in evaluation criteria for this project is:** (a) **Scope of Project - 25 pts** (b) **Qualifications & proven track record - 20 pts** (c) **Financial means to undertake proposed project - 20 pts**, (d) **Timeliness of project scope - 20 pts**, (e) **Sustainability Blue Economy considerations - 10 points, and** (f) **References - 5 pts. A bonus of 5 points will be awarded for creativity, innovation, and promotion of blue resources (such as maritime transport, coastal tourism, and renewable energy production).** 

Applicants are requested to submit proposals on the basis of this RFP but are encouraged to be innovative and creative in their approach.

The information contained herein is believed to be accurate but is not to be considered in any way as a warranty. The Government makes no representations about the structures on the site. Request for additional information clarifying the Scope of Work should be directed in writing to Assistant Commissioner of Procurement, Lisa M. Alejandro at <a href="mailto:lisa.alejandro@dpp.vi.gov">lisa.alejandro@dpp.vi.gov</a>.

## B. STATEMENT OF PURPOSE

To assist the Government of the Virgin Islands in meeting the requirement for the following services: RFP-027-T-2021 (P) Lease and Development of Parcel No. 100-1 Estate Nazareth Red Hook Quarter on St. Thomas, US Virgin Islands

# C. PROPOSE PROJECT DETAILS:

**Purpose/Overview**: The purpose of this RFP is to solicit proposals from suitably qualified firms to design, finance and redevelop and operate a dock & logistical facility at Estate Nazareth Parcel No. 100-1 Red Hook Quarter, St. Thomas US Virgin Islands.

The Government is the owner of Estate Nazareth Parcel No. 100-1 Red Hook Quarter, an approximately 0.29 U.S. acre parcel located in the Red Hook Harbor, St. Thomas, US Virgin Islands. The subject property is accessible from the Nicholas Friday Drive. This W-1 zoned property is approximately 0.29 U.S. acres of partly vegetated with a 7' wide x 216' long dock, on 10,000 sq. ft. of submerged mooring area.

Previously, the property was leased to Red Hook Marina, Inc. to develop and operate a docking facility to boat charters and water taxis. In 2017, the property was seriously damaged during the passing of Hurricanes Irma and Maria. The lease agreement has since expired, and the Lessee is a month-to-month tenant. The Government is seeking a new Lessee for Estate Nazareth Parcel No. 100-1 Red Hook Quarter, to design, finance, develop/construct and operate a marina facility with ancillary facilities to include:

- 1. Docking facilities
- 2. Logistical facilities
- 3. Parking area
- 4. Office, retail, storage space and/or other related purposes.

The Government intends to enter into a long-term development and lease agreement with the successful respondent consistent with the provisions of Title 31, Section 205, of the Virgin Islands Code which provides that the Legislature of the Virgin Islands must ratify all leases in excess of one (1) year. The specific terms of the development and ground lease agreements will be negotiated with the successful respondent. The Lease will contain specific negotiated terms for development, in which case, if the Lessee fails to develop and operate the property in accordance with the Lease, the Lessee will be deemed in breach of the lease for failure to comply with the terms therewith. For the lease, it is anticipated that the Government will seek to establish a minimum base rent with a percentage above a certain revenue threshold which will be negotiated.

The Government is encouraging respondents to be innovative and creative in their approach to developing Estate Nazareth Parcel No. 100-1 Red Hook Quarter into a marina facility. Specific amenities and features set forth in the respondent's proposal will be incorporated into the final development/lease agreements. All ancillary facilities that are required should be set forth clearly in the proposal, as well.

Each respondent should consider that the Government is desirous of the following in relation to the development:

- 1. A turnkey approach (designing, development/construction, financing and operation of the marina facility);
- 2. A modern world-class facility with recognizable and consistently high standards in service and amenities which will enhance the USVI's reputation as a tourism destination;
- 3. Environmentally friendly/ LEED Certified building(s); and
- 4. The proposed development should complement the attributes of the surrounding area and the uniqueness of the US Virgin Islands.

# **Concessions**

The Government of the USVI will:

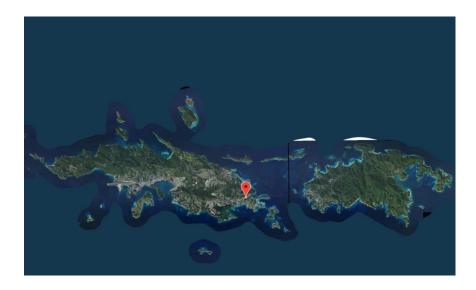
- 1. Grant a term lease to the developer on mutually agreeable terms, on the upland and submerged land, the renewal of which would not be unreasonably withheld;
- 2. Expeditiously facilitate, subject to the laws of the USVI, the requisite permits required to proceed with this investment including USVI Coastal Zone 3 Management (CZM) permitting. A CZM permit is required for any development activity in the first tier of the coastal zone; and
- 3. Consider the grant of additional incentives available under the laws of the USVI, subject to appropriate qualification or conditions.

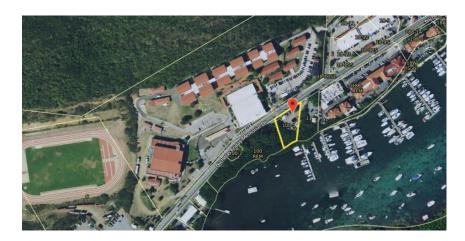
# **Economic Development Commission ("EDC") Benefits Program**

The USVI through the Economic Development Authority – Economic Development Commission offers tax incentive programs for qualified businesses establishing operations in the US Virgin Islands. Benefits for qualified businesses in the EDC program may include up to a 90% reduction in corporate income tax, 90% reduction in personal income tax on qualified income and 100% exemption on business property tax.

The USVI and this site are also included in the Federal Qualified Opportunity Zone program.

#### **Area and Site Photos**







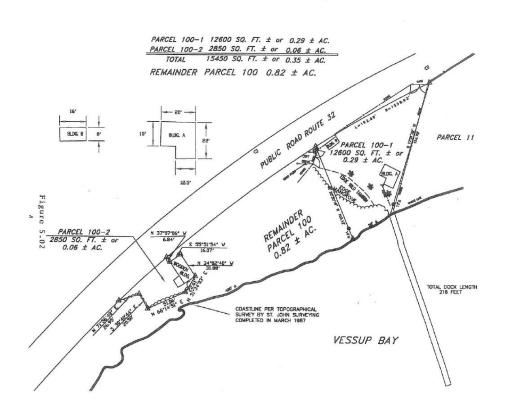












## D. TIMETABLE

**1. Pre-Proposal Conference** will take place on **Thursday, April 29, 2021** at **10:00 a.m.** Atlantic Standard Time by the Department of Property and Procurement via Microsoft Teams.

# Microsoft Teams meeting

Click here to join the meeting

- **2. Site Visits** and briefings at Estate Nazareth Parcel No. 100-1 Red Hook Quarter, St. Thomas US Virgin Islands have been scheduled as follows:
  - April 29<sup>th</sup>, 2021 immediately following the Pre-Proposal Conference; and
  - Tuesday, May 4, 2021 at 10:00 a.m.

The site visits will include a briefing from the Government of the U.S. Virgin Islands representatives, a tour of the premises, to include brief responses to any questions. All questions should be submitted in writing and responses will be provided via an amendment under the solicitation posting on <a href="http://www.dpp.vi.gov">http://www.dpp.vi.gov</a>. Each site visit will last approximately one (1) hour.

3. Last Day for Written Clarifications is Monday, May 10, 2021 at 12:00 noon Atlantic Standard Time.

#### E. SUBMISSION OF PROPOSAL

All interested parties shall submit their proposals electronically, in **PDF Format**, to ebids\_proposals@dpp.vi.gov no later than **Monday**, **May 31**, **2021 at 4:30 p.m.** Atlantic Standard Time.

Electronic submissions which must include the Company's Name – Solicitation Number – Due Date in the Subject Line of the email. For Example, ABC Company, Inc. – RFP No. 027 – T-2021(P) – May 31, 2021.

The First Page of each electronic submission must also include Company's Name – Solicitation Number and Due Date. The second page of each electronic submission must only contain the following words in red font: "CONFIDENTIAL BID SUBMISSION"



The respondent shall be responsible for the delivery of all proposals to the Department of Property & Procurement before the date and time set for the closing of acceptance of

proposals. Any submittal received after the deadline will be considered **LATE** and will **NOT** be considered for evaluation.

# F. WITHDRAWALS OF PROPOSAL

A proposal may be withdrawn at any time prior to the time specified as the closing time for acceptance of proposals. However, no proposal shall be withdrawn or canceled for a period of thirty (30) days after said closing time for acceptance of proposals nor shall the successful provider withdraw, cancel or modify the proposal, except at the request of GVI after having been notified that said proposal has been accepted by GVI.

## G. INTERPRETATION OF SPECIFICATIONS

If any person contemplating submitting a proposal requires clarification of any part of the scope of work, he/she may submit to the GVI a written request for an interpretation thereof to the **Assistant Commissioner of Procurement, Lisa M. Alejandro** at <a href="mailto:lisa.alejandro@dpp.vi.gov">lisa.alejandro@dpp.vi.gov</a> no later than Monday, May 10, 2021. GVI will not respond to questions received after the above established date. The person submitting the request will be responsible for its prompt delivery. Any interpretation of the scope of work will be made in writing to all prospective providers. Oral explanations will not be binding.

# H. CONSIDERATION OF PROPOSAL

The Commissioner of Property and Procurement shall represent and act for the Government in all matters pertaining to the RFP and Lease in conjunction therewith. ThisRFP does not commit the Government to the award of a Lease, nor to pay for any cost incurred in the preparation and submission of proposals in anticipation of a Lease. The Government reserves the right to reject any or all proposals and to disregard any informality and/or irregularity in the proposal when, in the Government's opinion, the best interest of the Government shall be served by such action. Proposals failing to provide some of the items in the RFP shall not be rejected perse but any deviations from the RFP must be clearly noted. It is the responsibility of each respondent to clearly mark any part of its submittal considered to be of a proprietary or confidential nature as such.

## I. ACCEPTANCE OF PROPOSALS

The Government shall provide written notification of the Government's acceptance of one of the proposals. Failure to provide any supplementary documentation to comply with any request from the Government may be grounds for disqualification of a respondent.

# J. CONTENTS OF PROPOSAL

The following is a list of information to be included in the written proposal. Failure to comply with all the requirements as outlined, shall result in point deductions accordingly and the proposal rating shall be reflected as such.

## 1. Introductory Letter of Interest:

- **a.** Full contact details and corporate profile of the respondent to include:
  - i. Name, address, email and telephone numbers.
- **b.** Whether or not the investor will be the developer or operator of the marina, details of the key entities that will be involved in the proposed development (developer, managers and operators) must be provided.
- **c.** Letter shall be signed by an individual authorized to act on behalf of the respondent on company letterhead.

#### 2. Title Page:

**a.** The title page should include the RFP number, name of the project, name of the respondent and its principal contact.

# 3. Executive Summary

**a.** A 1-to-2-page summary should provide a snapshot of the respondent's planned project, to include project approach, financing, and timelines for completion.

## 4. Organization:

- a. Current Business License:
- **b.** Current Insurance Certificates;
- **c.** Current Trade Name Registration Certificate, if applicable;
- **d.** Current Certificate of Good Standing dated July 1, 2020 or later;
- **e.** Articles of Incorporation (for Corporations) or Articles of Organization (for LLCs) or qualification (Limited Partnerships), if applicable; and
- f. DUNS Number

Please note that if a proposal in response to this RFP is being submitted by a consortia or joint venture, information on all entities comprising the consortia or joint venture must be provided. It must clearly indicate which entity or person is the lead entity. The nature of the joint venture should be specified and evidenced by a letter or agreement signed by all participating entities in addition to the required documents listed in Section J, Paragraph 4.

- 5. Summary and evidence of a proven track record, solid reputation, success and qualifications and experience in the marine facility industry, to include but not limited to:
  - **a.** Project experience:
  - **b.** Provide a listing of three (3) to five (5) related projects performed by the respondent. Include the following:

- i. A brief description of the work performed and cost of each project;
- ii. Provide project timelines and completion dates;
- iii. Provide a minimum of three (3) to five (5) photos of the completed projects for those listed under sub-section (i) above; and
- iv. Include the names of staff that are listed in Company's proposal for this project if they worked on any of the projects listed under sub-section (i) above and include their roles.
- v. Provide a listing of projects currently being performed. Include a brief description of the project and percentage completed.
- **6.** Schematic design and/or conceptual rendering illustrating the proposed development; as well as key elements of the project including service and amenities.

## 7. Preliminary Business Plan that includes:

- **a.** Narrative description of the proposed development, which takes into account the matters outlined in the project scope above;
- **b.** Estimate of the project development budget and evidence of the developer's financial ability to undertake such a project, including but not limited to detailed financing/funding models to include the respondent's Capital Stack and the last three (3) years of financial statements. Detailed financing/funding models, budgeting and assumptions will also be required at a later stage in the process from the successful respondent during lease negotiations.
- c. Details of the proposed developmental timeline; and
- **d.** Any additional information that the respondent considers appropriate to assist the Government in better understanding its proposal.

# 8. Staffing:

- **a.** Provide a listing of staff available for the project.
- **b.** Principals of Firm and their years of experience and roles, and responsibilities relative to the project;
- **c.** Key Personnel and their years of experience, and roles, andresponsibilities relative to the project;
- **d.** Staff available and their years of experience, roles, and responsibilities relative to the project; and
- e. Short Bios or Resumes
- **9.** Reference Letters: Three (3) letters minimum related to the projected development being solicited. To obtain maximum allotted points, each letter must be provided on company letterhead with the following:
  - **a.** Include information about past performance on similar projects from authorized representatives on company letterhead; and
  - **b.** Include a working telephone number and email address to be contacted.

# K. CONFLICT OF INTEREST

A respondent filing a proposal hereby certifies that no officer, agent or employee of the Government has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of Government; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other proposer for the same request for proposals; the proposer is competing solely in its own behalf without connection with, or obligation to, any undisclosed person (s) or firm (s).

# L. LICENSE REQUIREMENT

The successful respondent must duly qualify to conduct business in the U.S. Virgin Islands and will need the following documents as part of the Lease execution process: (i) current Virgin Islands Business License (ii) current Virgin Islands Certificate of Good Standing, (ii) corporate resolution or equivalent, (iv) articles of incorporation or equivalent, and (v) detailed business plan and financials.

FAILURE TO PROVIDE THE CERTIFICATES WITHIN THE STATED TIME PERIOD MAY RESULT IN THE PROPOSAL BEING DEEMED NON-RESPONSIVE AND MAY BE IMMEDIATELY DISQUALIFIED WITH NO FURTHER CONSIDERATION GIVEN FOR POTENTIAL AWARDING OF THE LEASE AGREEMENT.

# M. ACCEPTANCE OF LEASE TEMPLATE AND OTHER TERMS AND CONDITIONS

The Government's boilerplate lease template is enclosed with this RFP. By submitting a proposal in response to this RFP, the respondent agrees to accept the Government's boilerplate terms and conditions, if selected for award.